STATE OF MAINE PUBLIC UTILITIES COMMISSION

Docket No. 2004-49

July 28, 2004

MAINE PUBLIC UTILITIES COMMISSION Investigation Into Northern Utilities Inc. Gas Pipeline Break in Lewiston, Maine

ORDER CLOSING INVESTIGATION

I. SUMMARY

In this Order, we accept the Report of the Commission Staff concerning the Northern Utilities, Inc. (Northern) pipeline failure in Lewiston, Maine on January 12, 2004. We direct our Staff and Northern to meet concerning the recommendations in the Report and for Northern to report back to the Commission no later than January 7, 2005 on any changes it has, or will, implement based on those recommendations.

II. BACKGROUND

On January 22, 2004, the Commission opened an investigation into the Northern Utilities, Inc.'s gas pipeline failure that occurred on January 12, 2004 in Lewiston, Maine. In June 2004, the Commission Staff completed its investigation and filed its report titled "Results of Investigation by Commission Staff into a Northern Utilities, Inc. Gas Pipeline Failure, Main Street, Lewiston, Maine, January 12, 2004."

The investigation took place pursuant to Commission authority under 35-A M.R.S.A. § 710 and Chapter 130 of the Commission's Rules which allows the Commission to investigate serious accidents. Serious accidents include accidents occurring on a utilities' premises or which arise from, or are connected with, its maintenance or operations. It also occurred under the Commission's authority, as a certified agency of the U.S. Department of Transportation, Office of Pipeline Safety, to confirm compliance with federal laws and regulations pertaining to the safe operation of intrastate gas facilities. The investigation was initiated to determine if Northern had complied with applicable gas safety regulations and to determine the cause of the pipe failure.

On June 6, 2004, the Commission invited comments from interested persons concerning the Report. Only Northern filed comments.

III. DISCUSSION

The Staff investigation found that Northern had complied with State and Federal regulations as they pertain to the operation and maintenance of the six-inch cast iron pipe located under Main Street in Lewiston. The Staff further found the failure of the pipe occurred in two stages. The bottom third was fractured approximately six months prior to the explosion and resulted from subsidence of the soil under the pipe. The

external loads above the pipe were no longer offset by the support system under it. The remainder of the pipe was fractured by the underground shock wave caused by the explosion.

Specifically, Staff found that Northern was in compliance with Chapter 420 of the Commission's rules and 49 CFR § 192 of the Federal Codes of Regulation concerning the operation and maintenance of the line. Staff's conclusions concerning the pipe failure are based on the tests of the independent laboratory Massachusetts Materials Research, Inc. Although it found no violations, Staff recommends that Northern: 1) increase training of Northern field personnel; 2) develop a "patrolling" training plan; 3) revise existing procedures concerning patrolling; 4) prepare a new procedure concerning pressure recording charts; 5) develop a more comprehensive public education program, particularly with fire, police and public works officials; 6) train personnel in recognizing graphitization; and 7) conduct additional training concerning maintenance of records.

In its comments, Northern stated its willingness to discuss the proposed recommendations for improvements. Northern also expressed its concern that the Report may go beyond the scope of the investigation which was to determine the cause of the pipeline failure and whether Northern had complied with all state and federal safety regulations. We agree that this was the purpose of the investigation and we do not believe that Staff has gone beyond that scope. Nowhere does Staff reach any independent conclusions about the cause of the explosion. Therefore, we do not believe any further clarification of the Report is necessary.

We accept the Report's results and direct Staff and Northern to meet concerning the recommendations contained in the Report. Northern should report back to the Commission no later than January 7, 2005, concerning any changes it has implemented based on those recommendations.

Dated at Augusta, Maine, this 28th day of July, 2004.

BY ORDER OF THE COMMISSION

Raymond J. Robichaud
Acting Administrative Director

COMMISSIONERS VOTING FOR: Welch

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NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

- 1. <u>Reconsideration</u> of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
- 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within **21 days** of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
- 3. <u>Additional court review</u> of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.